VZCZCXRO9679 RR RUEHBI RUEHCI RUEHDBU RUEHLH RUEHPW DE RUEHEK #0157/01 0541054 ZNY CCCCC ZZH R 231054Z FEB 09 FM AMEMBASSY BISHKEK TO RUEHC/SECSTATE WASHDC 1832 INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE RUCNCIS/CIS COLLECTIVE RUEHBJ/AMEMBASSY BEIJING 2895 RHEFDIA/DIA WASHDC RUEKJCS/OSD WASHDC RUEAIIA/CIA WASHDC RHEHNSC/NSC WASHDC RUEKJCS/SECDEF WASHDC RUEKJCS/JOINT STAFF WASHDC RUEHGV/USMISSION GENEVA 1247 RUEHVEN/USMISSION USOSCE 3288 RUCNDT/USMISSION USUN NEW YORK 2674 RUEHNO/USMISSION USNATO BRUSSELS BE RUEHBS/USEU BRUSSELS RUEHLMC/MILLENNIUM CHALLENGE CORP RUMICEA/USCENTCOM INTEL CEN MACDILL AFB FL

C O N F I D E N T I A L SECTION 01 OF 02 BISHKEK 000157

SIPDIS

DEPT FOR SCA/CEN (GORKOWSKI)

E.O. 12958: DECL: 02/23/2019 TAGS: <u>PGOV PREL PINR KG</u>

SUBJECT: (C) KYRGYZ PRESIDENT'S SON'S ALLEGED INTERESTS IN THE MANAS-RUSSIA DEAL

REF: A. BISHKEK 145 ¶B. BISHKEK 150

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Classified By: Amb. Tatiana Gfoeller, Reason 1.4 (b) and (d).

- (C) Summary: A Kyrgyz government official, who claimed to be a confidant of President Bakiyev's influential son Maxim, suggested working through Maxim to reverse President Bakiyev's decision to close Manas Air Base. The official said that Maxim made many key decisions, which were later endorsed by his father. Referring to the \$2.3 billion Russian financial assistance package, the official said that Maxim was convinced of the benefit of closing the Base, but there was a window of opportunity to "reconvince" Maxim to keep Manas Air Base -- if the USG was willing to buy off Maxim. The official did not appear to be acting on Maxim's instructions, but claimed to be acting out of patriotism, as he did not want to see the Kyrgyz Republic become a "Russian colony." We take this overture with some skepticism, and report it to show the mindset typical of many government officials -- as well as of most of the general population: the belief that Maxim controls all significant business, financial, and economic decision-making in the Kyrgyz Republic. End summary.
- 12. (C) Ulan Melisbek (please protect), the relatively new and young chief of the Kyrgyz State Patent Service, contacted Emboff February 18 to request a meeting outside the Embassy to discuss his concerns about "recent events," but avoided mentioning Manas Air Base. Emboff met Melisbek later that evening.

Spreading the Wealth

¶3. (C) Melisbek, who noted his close ties to President Bakiyev's son Maxim (described below in para 6), said moves to close Manas Air Base were clearly linked to the \$2.3 billion Russian assistance and loan package (septel). Kyrgyz officials, he added, are guided by "mercantilism" and

indicated that some are already devising plans -- different than the publicly announced purposes -- for the Russian funds. Melisbek said that Maxim would fill the vacant position heading the Kyrgyz Development Fund once the Russian funds arrived, and would therefore control release of the funds. (Note: The Development Fund was most recently chaired by Daniyar Usenov, President Bakiyev's new chief of staff. The Fund has lacked financing, and therefore has not yet been active. End note.)

Is the Window Still Cracked Open?

- 14. (C) Referencing the Parliamentary debate (since concluded -- Ref A) on legislation endorsing President Bakiyev's announcing the intention to shut down Manas Air Base operations, Melisbek said there is a limited window of time to change the Kyrgyz decision on the Base. Although Maxim lacks an official desk in the government, Melisbek said, he has seen Maxim decide numerous issues that are then endorsed by his father. Melisbek noted that Maxim is half-Russian, is a Russophile, and was convinced of the benefit of closing Manas Air Base. (Note: This version partially contradicts other information we have heard, reported septel, that Maxim receives kickbacks from Base contractors and therefore has argued against closing the Base. End Note.)
- ¶5. (C) However, he noted that there may be an opportunity to "reconvince" Maxim to keep the Base open. Melisbek said that he could arrange an "informal" meeting with Maxim, but intimated that money would need to be made available to "reconvince" him that Manas Air Base should remain. It did not appear that Melisbek had been sent specifically to raise

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these issues on Maxim's behalf. Rather, he explained that out of a sense of "patriotism," fear of the Kyrgyz Republic becoming a "Russian colony," and his own personal attachment to the United States (see below) he wanted to outline this scenario to Emboff. He would not confirm when he last spoke with Maxim.

Bridging Past Differences

- 16. (C) At the start of the meeting, Melisbek provided additional personal background to explain his connection to Maxim. Melisbek described his previous work heading a popular on-line forum called gazetta.kg, which was critical of both the Akayev and Bakiyev regimes. (Note: According to Embassy personnel, after pressure against Melisbek became unbearable, he sold this media outlet to a Maxim Bakiyev-friendly intermediary and moved to the United States, where he apparently received political asylum. Although Melisbek has returned and now holds a ministerial-level position, his wife and two Amcit children remain in California. End note.)
- 17. (C) Melisbek said that Maxim later contacted him in an effort to recruit young, educated Kyrgyz into government. Describing Maxim as "the master of the youth of the country," Melisbek said that Maxim welcomed criticism, but did not want it aired publicly. Therefore, Melisbek continued, Maxim wanted Melisbek to provide his critical views from the inside to help counter all the "sycophants" that surround him. Melisbek returned to the Kyrgyz Republic last year to take the helm of the Kyrgyz Patent Service, and claimed to have regular meetings since then with Maxim. (Note: Local commentators have criticized Melisbek for "selling out" by returning to join the government. Observers indicate that Melisbek could only obtain such a position with Maxim's support. End note.)

Comment

¶8. (C) We do not take this overture seriously, and the suggestion of paying Maxim to change President Bakiyev's mind is clearly unacceptable. However, there is little doubt that Bakiyev's brothers and sons wield great influence, particularly brother Janysh over security affairs and son Maxim over business affairs. As Bakiyev and his family continue to consolidate power, it is widely believed that for any project to go forward, one needs the support of (at least one member of) the Bakiyev family. GFOELLER